Decision	
BEFORE THE PUBLIC UTILITIES COMMISSION O	F THE STATE OF CALIFORNIA
Order Instituting Rulemaking evaluating the Commission's 2010 Water Action Plan Objective of Achieving Consistency between the Class A Water Utilities' Low-Income Rate Assistance Programs, Providing Rate Assistance to All Low-Income Customers of Investor-Owned Water Utilities, and Affordability.	R

ORDER INSTITUTING RULEMAKING EVALUATING
THE COMMISSION'S 2010 WATER ACTION PLAN OBJECTIVE OF
ACHIEVING CONSISTENCY BETWEEN THE CLASS A WATER UTILITIES'
LOW-INCOME RATE ASSISTANCE PROGRAMS, PROVIDING RATE
ASSISTANCE TO ALL LOW-INCOME CUSTOMERS OF INVESTOR-OWNED
WATER UTILITIES, AND AFFORDABILITY

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## **PROPOSED DECISION**

## **Table of Contents**

<u>Titl</u>	<u>le</u>	<u>Page</u>
OF	RDER INSTITUTING RULEMAKING EVALUATING THE	
_	OMMISSION'S 2010 WATER ACTION PLAN OBJECTIVE OF	
	CHIEVING CONSISTENCY BETWEEN THE CLASS A WATER	
	FILITIES' LOW-INCOME RATE ASSISTANCE PROGRAMS,	
PR	ROVIDING RATE ASSISTANCE TO ALL LOW-INCOME	
CL	JSTOMERS OF INVESTOR-OWNED WATER UTILITIES,	
	ND AFFORDABILITY	1
	mmary	
1.	Safety Consideration	
2.	Background	
	2.1. Eligibility Requirement	
	2.2. Program Name	
	2.3. Monthly Discounts	
	2.4. Program Costs Recovery	7
3.	Preliminary Scoping Memos	
	3.1. Category of Proceeding and Need for Hearing	8
	3.2. Issues	9
	3.3. Schedule	13
4.	Service of OIR to Respondent Parties and Other Interested Partie	es14
5.	Addition to Official Service List	14
	5.1. Subscription Service	15
6.	Serving and Filing Documents	15
7.	Public Advisor	16
8.	Intervenor Compensation	17
9.	Ex Parte Communications	17

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#### **Summary**

This Order Instituting Rulemaking (OIR) is issued consistent with the Commission Rules of Practice and Proceeding Article 6.¹ With this OIR, the California Public Utilities Commission (Commission) begins a review of the low income rate assistance programs of the Class A water utilities under the Commission's jurisdiction to assess the feasibility of achieving program consistency across the Class A water utilities.² In addition, the Commission will investigate assistance to low income customers of the Class B, C, and D water utilities. The Commission also will consider water affordability, and whether bottled water companies should be regulated as public utilities in this proceeding. The proceeding will include 2 initial phases that will have separate scoping memos. The preliminary issues identified for each phase are set forth below.

In this OIR, we seek initial comments to assist the Commission in:
(1) better understanding the differences between the Class A water utilities' low-income rate programs; (2) evaluating whether consistency between the Class A water utilities' low-income rate programs is feasible; if so, (3) how such

<sup>&</sup>lt;sup>1</sup> All references to Rules refer to the Commission Rules of Practice and Procedure unless otherwise noted.

consistency can be attained; (4) assessing whether bottled water companies meet the definition of a public utility under the Commission's jurisdiction; and (5) examine issues concerning affordability of clean, safe drinking water for low income and disadvantaged Communities Information and determinations from this proceeding shall inform any follow-up proceeding on related issues to be adopted at a later date.

#### 1. Safety Consideration

This Order Instituting Rulemaking (OIR) is issued to continue the California Public Utilities Commission's (Commission) efforts consistent with Cal Water Code Section 106.3 and the human right to water for all Californians to ensure that low-income customers and disadvantaged communities have safe, clean, affordable and accessible water adequate for human consumption, cooking and sanitary purposes.<sup>3</sup>

## 2. Background

In December of 2005, the Commission adopted a Water Action Plan (Plan) setting forth its policy objectives for the regulation of investor-owned water utilities and highlighting the actions that the Commission anticipated or would consider taking in order to implement these objectives. The primary goal was two-fold: apply regulatory best practices from the energy utilities to the water utilities and to place water conservation at the top of the loading order as the best, lowest-cost supply.

<sup>&</sup>lt;sup>2</sup> Class A water utilities includes every corporation or person owning, controlling, operating, or managing any water system for compensation within California having more than 10,000 service connections (Pub. Util. Code § 241 and Decision 85-04-076).

<sup>&</sup>lt;sup>3</sup> Cal Water Code Section 106.3 (added by Stats. 2012, C.524, A.B.685).

Among the energy best practices to be incorporated into the water industry was to assist low-income ratepayers struggling with payments for basic monthly water service. Similar to the Commission's practices in the telecommunications and energy industries, the Plan provides for the Commission to develop options to increase affordability of water service for these customers as well as provide specific emphasis on water conservation programs for low-income water customers.

The 2005 Plan was adopted after one of the wettest winters in recent history. In 2010 the Commission updated the 2005 Plan (2010 Update) as a result of severe drought conditions within the state. The Commission found it was more important than ever to have in place the regulatory mechanisms to ensure that the principles and objectives set forth in the 2005 Plan were not compromised. Among the action items added in the 2010 Update was to develop standardized tariff discounts and eligibility criteria for Class A water utilities low-income rate assistance programs.

Currently, there are nine Class A water utilities under the Commission's jurisdiction. They are: Liberty Utilities (Apple Valley Ranchos Water) Corp., California Water Service Company, California-American Water Company, Golden State Water Company, Great Oaks Water Company, Liberty Utilities (Park Water) Corp., San Gabriel Valley Water Company, San Jose Water Company, and Suburban Water Systems.<sup>4</sup>

Each of the Class A water utilities has an individualized low-income rate assistance program which was established on a case-by-case basis, as part of the

utility's General Rate Case. As detailed in Appendix A to this OIR, there is no standardization among these programs. Each program differs in its name, availability of monthly discounts, and recovery of costs. Hence, we should explore the feasibility of achieving a consistent low-income rate assistance program for of all the Class A water utilities in this OIR.

Furthermore, there are no rate-assistance programs for low-income ratepayers of Class B, C, and D utilities. These small water utilities individual serve a total of about 62,000 customers. However, because many of these utilities serve very few customers, estimating the number of low-income customers served is difficult. The Commission therefore has limited information on how to best serve low income customers of Class B, C, and D utilities.

Additionally, the Commission intends to examine whether it has jurisdiction over bottled water companies as public utilities for the purpose of imposing public purpose charges to support low income assistance water programs. The Commission will consider whether bottled water companies<sup>5</sup> qualify as a "water corporation" that owns controls, operates, or manages a "water system";<sup>6</sup> performs a service, or delivers a commodity to, the public;<sup>7</sup> and

<sup>&</sup>lt;sup>4</sup> Class A water utilities Apple Valley Ranchos Water Company and Park Water Company were acquired by Liberty Utilities Company, pursuant to Decision (D.) 15-12-029, dated December 17, 2017, continue to operate as distinctly separate Class A water utilities.

<sup>&</sup>lt;sup>5</sup> The term "bottled water companies" is used interchangeably with the term "water bottlers" herein.

<sup>&</sup>lt;sup>6</sup> Cal. Pub. Util. Code § 241 (" 'Water corporation' includes every corporation or person owning, controlling, operating, or managing any water system for compensation within this State.")

<sup>&</sup>lt;sup>7</sup> Cal. Pub. Util. Code § 216(a) (" 'Public utility' includes every . . . water corporation. . . where the service is performed for, or the commodity is delivered to, the public or any portion thereof.")

dedicates its water supply or water system to public use.<sup>8</sup> In addition, the Commission intends to consider whether this jurisdiction should provide that bottled water companies support low-income water programs. Related issues are further discussed in **Section 3.2 Issues**, including imposition of extraction fees, and bottled water end user fees.

In order that this Rulemaking proceeds in a timely manner, the parties are directed to provide comments on the questions presented as to bottled water companies and the Commission's jurisdiction early in the proceeding, as the Commission's resolution of this matter may have subsequent implications, including the funding of low-income customer programs.

#### 2.1. Eligibility Requirement

The eligibility requirement is the only consistent aspect of the Class A water utilities' low-income rate assistance programs. To qualify for the program: (1) the water bill must be in the customer's name, (2) customer may not be claimed as a dependent on another person's tax return, and (3) customer's total household income must be below an amount established by the Commission.

This consistent low-income eligibility requirement for the Class A water utilities satisfies the 2010 Update action item of developing a standardized eligibility criteria and need not be addressed in this OIR.

## 2.2. Program Name

The low-income rate assistance program is being offered to Class A water

<sup>&</sup>lt;sup>8</sup> *Indep. Energy Producers Ass'n, Inc. v. State Bd. of Equalization,* 125 Cal. App. 4th 425, 442 (Cal. Ct. App. 2004) (citing *Allen v. R.R. Comm'n,* 179 Cal. 68, 85, 89, 175 P. 466 (Cal. 1918); *Associated Pipe Line Co. v. R.R. Comm'n* 176 Cal. 518, 523 (1917); *Frost v. R.R. Comm'n,* 197 Cal. 230, 236, 240 P. 26 (1925), *rev'd on other grounds,* 271 U.S. 583 (1926)) (there must be "a dedication to public use to transform [a] private business[] into a public utility.").

utilities' low-income customers under four different names, dependent on which service territory that low-income customers reside. As detailed in Appendix A to this OIR, the program is being offered under the names: California Alternative Rates for Water, Low-Income Ratepayer Assistance (LIRA), Low-Income Customer Assistance Program, or Water Rate Assistance Program.

Customers are made aware of the low-income programs through various means including but not limited to bill inserts, public participation hearings, and company websites. However, the majority of low-income customers have been automatically enrolled into the low-income programs through the Commission-authorized biannual customer data exchange between water and energy utilities (D.11-05-020). Customers who receive automatic enrollment are sent notices by the utilities of their enrollment with an option to opt out of the low-income program.

#### 2.3. Monthly Discounts

Monthly discounts available to low-income customers also differ by Class A water utility. As detailed in Appendix A to this OIR, three of the utilities provide different fixed dollar credits, two provide 50% off the service charge, one provides 15% of the total bill, one provides varied credits across its districts, and another provides 20% off the service and quantity charges.

## 2.4. Program Costs Recovery

The Class A water utilities recover program costs through surcharges and track the difference between discounts offered and surcharges collected in either a memorandum or balancing account for latter amortization. As detailed in Appendix A, surcharges are based on a variety of factors (fixed amount, percent of service and quantity charges, or an amount per water usage).

#### 3. Preliminary Scoping Memos

This OIR will be conducted in accordance with Article 6 of the Commission's Rules of Practice and Procedure (Rules). As required by Rule 7.1, this order includes a Preliminary Scoping Memo as set forth below.

# 3.1. Category of Proceeding and Need for Hearing

Rule 7.1(d) requires that an OIR preliminarily determine the category of the proceeding and the need for hearing. As a preliminary matter, we determine that this proceeding is a "quasi-legislative" proceeding, as that term is defined in the Commission's Rules of Practice and Procedure, Rule 1.3(d). It is contemplated that this proceeding shall be conducted through initial written comments and later evidentiary hearings on issues identified in comments.

Anyone who objects to the preliminary categorization of this OIR as "quasi-legislative," or to the preliminary hearing determination, must state the objections in opening comments to this OIR. If the person believes hearings are necessary, the comments must state: (a) the specific disputed fact for which hearing is sought; (b) justification for the hearing (e.g., why the fact is material); (c) what the party would seek to demonstrate through a hearing; and (d) anything else necessary for the purpose of making an informed ruling on the request for hearing.

After considering any comments on the preliminary scoping memo, the assigned Commissioner may issue a Scoping Memo that, among other things, will make a final category determination; this determination is subject to appeal as specified in Rule 7.6(a). The assigned Commissioner and Administrative Law Judge (ALJ) may also determine the need for and extent of further procedural

steps that are necessary to develop an adequate record to resolve this OIR, and shall issue rulings providing guidance to parties, as warranted.

#### 3.2. Issues

The issues to be addressed in this proceeding relate to a review of low-income rate assistance programs for water utilities under the Commission's jurisdiction. The OIR will examine low-income rate assistance programs of the Class A water utilities to determine whether a consistent low-income rate assistant program for all low-income water ratepayers can be established. This proceeding will also consider whether bottled water companies qualify as public utilities under the Commission's jurisdiction. Respondent Class A water utilities are required, Class B, C, and D water utilities are encouraged, and interested parties are invited, to answer the following questions and include associated explanations for each response:9

#### Question 1 - Program Name

- a. Which of the current low income rate assistance programs (California Alternative Rates for Water, Low-Income Ratepayer Assistance, Low-Income Customer Assistance Program, and Water Rate Assistance Program) best describes the low-income rate assistance program?
- b. Is there a more appropriate program name that identifies the low-income rate assistance program?
- c. What are the advantages and disadvantages of establishing a uniform program name for a low-income rate assistance program for all eligible customers of investor-owned water utilities?

<sup>&</sup>lt;sup>9</sup> Pursuant to Rule 6.2 "[A]ll comments which contain factual assertions shall be verified. Unverified factual assertions will be given only the weight of argument."

#### Question 2 - Effectiveness of Assistance Programs

- a. How effective are the current programs in reaching eligible low-income customers?
- b. How can effectiveness be improved?

#### **Question 3 - Monthly Discounts**

- a. What are the advantages and disadvantages of providing a flat dollar discount to low-income customers? Also, what impact does it have on water conservation?
- b. What are the advantages and disadvantages of providing a percentage off of a low-income customer's total bill? Also, what impact does it have on water conservation?
- c. What are the advantages and disadvantages of providing a percentage off of a low-income customer's service charge? Also, what impact does it have on water conservation?
- d. What are the advantages and disadvantages of providing a percentage off of a low-income customer's service charge plus Tier 1 and Tier 2 usage? Also, what impact does it have on water conservation?
- e. What are the advantages and disadvantages of establishing a company-wide discount method (such as: a flat dollar amount, percentage off of service charge or total bill, percentage off of service charge, plus Tier 1 and Tier 2)?
- f. What are the advantages and disadvantages of establishing a fund to provide rate assistance to all low-income customers of investor-owned water utilities (such as: a flat dollar amount, percentage off of service charge or total bill, percentage off of service charge, plus Tier 1 and Tier 2)?
- g. What is the appropriate discount method if a uniform discount method is implemented for all investor-owned water utilities?
- h. What are the advantages and disadvantages of implementing a company-wide dollar and/or percentage rate discount? If implemented, how should that dollar and/or percentage rate be determined?

- i. What are the advantages and disadvantages of implementing a uniform dollar and/or percentage rate discount for all investor-owned water utilities' low-income customers? If implemented, how should that dollar and/or percentage rate be determined?
- j. What are the advantages and disadvantages of implementing a maximum discount amount for the lowincome rate assistance program? If a maximum discount amount is implemented how should that amount be calculated and should it be uniform for all Class A water utilities?

#### Question 4 - Program Cost Recovery

- a. Should the Commission require uniform standards for LIRA surcharges in the multi-district Class A utilities?
- b. What are the advantages and disadvantages of recovering program costs through a fixed dollar surcharge amount?
- c. What are the advantages and disadvantages of recovering program costs through a fixed surcharge amount per water usage?
- d. Is there a more appropriate method to recover program costs?
- e. Should the Commission require that LIRA programs for Class B, C, and D utilities be funded by surcharges on all non-low-income customer bills across all the utilities? How would this pooled LIRA fund be administered?
- f. What are the advantages and disadvantages of recovering program costs on a district and/or region basis? What if a majority of customers in a district and/or region are qualified low income customers?
- g. What are the advantages and disadvantages of recovering program costs through a company-wide and/or uniform Class A water utilities' method?

### Question 5 - Commission Jurisdiction over Bottled Water Companies

- a. What is the Commission's jurisdiction over bottled water companies for the purpose of imposing public purpose fees to support LIRA programs?
- b. Should the Commission consider (funding LIRA or pooling via) a water bottling extraction fee?
- c. Should the Commission consider (funding LIRA or pooling via) a bottled water end user fee?

#### Question 6- Consolidation in Support of LIRA

- a. How should the Commission identify further opportunities for consolidating systems that are not able to provide safe, reliable and affordable drinking water?
- b. Should Class A utilities serve as administrators for small water systems that need operations & maintenance support as proscribed by Senate Bill 552 (2016)?

#### **Question 7 - Implementation of Any Changes**

- a. How should any changes to the low-income rate assistance programs resulting from this OIR be implemented? For example: next general rate case proceeding, advice letter, or other method.
- b. If the Commission creates a single program to provide uniform rate assistance for all investor-owned utility low-income ratepayers, how will that program be administered?
- c. How should investor-owned low-income rate assistance program changes be implemented in response to development of a statewide low-income rate assistance program resulting from legislation pursuant to Assembly Bill 401 (2015)?

#### 3.3. Schedule

The preliminary schedule for Phase 1 is set forth below. We delegate to the Assigned Commissioner and the assigned ALJ the authority to set other dates in the proceeding or modify those below as necessary. Phase 1 is divided into two sub-phases: a) consolidation of low-income water assistance programs; and b) Commission jurisdiction over bottled water companies. Participants in the proceeding should also provide comments on the proposed schedule, included potential dates for workshops, serving testimony, evidentiary hearings, and filing of final comments/briefing on issues presented.

Day 1	OIR issued
Day 35	Initial Comments filed and served
Day 55	Reply Comments filed and served
Day 60	Prehearing Conference
Day 95	Scoping Memo issued
TBD	Workshop(s)
TBD	Testimony/Comments served
TBD	Rebuttal testimony/Response Comments served
TBD	Evidentiary hearings/Additional Workshops
TBD	Opening briefs/comments
TBD	Reply briefs/response comments

The schedule for Phase 1 (A and B) for this proceeding will conform to the statutory case management deadline for OIR and quasi-legislative matters set forth in Pub. Util. Code § 1701.5. A separate scoping memo and schedule for Phase 2 will be issued at a later date. Phase 2 of this proceeding will be

completed within 18 months from the date that the Phase 2 scoping memo is issued.

## 4. Service of OIR to Respondent Parties and Other Interested Parties

Named Respondents (and therefore parties) to this OIR include all Class A water utilities under the Commission's jurisdiction. Respondent parties include: Liberty Utilities (Apple Valley Ranchos Water) Corp., California Water Service Company, California-American Water Company, Golden State Water Company, Great Oaks Water Company, Liberty Utilities (Park Water) Corp., San Gabriel Valley Water Company, San Jose Water Company, and Suburban Water Systems.

Within 15 days of the mailing of this OIR, each respondent shall inform the Commission's Process Office of the contact information for a single representative, although other representatives and persons affiliated with the respondents may be placed in the Information-Only portion of the service list.

The subject matter and issues to be addressed in this OIR are also of interest to Class B, C, and D water utilities, the Office of Ratepayer Advocates (ORA), the California Water Association (CWA), The Utility Reform Network (TURN), California Bottled Water Association (CBWA), individual California water bottlers, California Environmental Justice Alliance, the Community Water Center, and the Low-Income Oversight Board. We will therefore serve this OIR on all Class B, C, and D water utilities, ORA, CWA, TURN, CBWA, the Low-Income Oversight Board, California Environmental Justice Alliance, and the Community Water Center.

#### 5. Addition to Official Service List

Other interested parties are invited to participate in this OIR. If you want to participate in this OIR or simply to monitor it, follow the procedures set forth below. The Commission's Process Office will publish the official service list at the Commission's website (<a href="www.cpuc.ca.gov">www.cpuc.ca.gov</a>), and will update the list as necessary.

Addition to the official service list is governed by Rules 1.4 and 1.9(f). Any person will be added to the "Information-Only" category of the official service list upon request, for electronic service of all documents filed in this proceeding, and should do so promptly in order to ensure timely service of documents that may be filed in this proceeding. The request must be sent to the Process Office by electronic mail (Process\_Office@cpuc.ca.gov). The Docket Number of this OIR must be included in the request. The Commission has adopted rules for the electronic service of documents related to its proceedings, available on our website at: http://www.cpuc.ca.gov/puc/efiling.

Once you are on the official service list, you must ensure that the information you have provided is up-to-date. To change your postal address, telephone number, e-mail address, or the name of your representative, send the change to the Process Office by electronic mail to the Process Office and copy everyone on the official service list.

#### 5.1. Subscription Service

Persons may monitor this OIR by subscribing to receive electronic copies of documents in this OIR that are published on the Commission's website. There is no need to be on the official service list in order to use the subscription service. Instructions for enrolling in the subscription service are available on the Commission's website at <a href="http://subscribecpuc.cpuc.ca.gov">http://subscribecpuc.cpuc.ca.gov</a>.

## 6. Serving and Filing Documents

When you serve a document, use the official service list published at the Commission's website as of the date of service. You must comply with

#### PROPOSED DECISION

Rules 1.9 and 1.10 when you serve a document to be filed with the Commission's Docket Office. If you are a party to this OIR, you must serve by e-mail any person (whether Party, State Service, or Information-Only) on the official service list who has provided an e-mail address.

The Commission encourages electronic filing and e-mail service in this OIR. You may find information about electronic filing at <a href="http://www.cpuc.ca.gov/PUC/efiling">http://www.cpuc.ca.gov/PUC/efiling</a>. E-mail service is governed by Rule 1.10. The subject line for e-mail communications should include the proceeding number, and where the filing is related to a specific track, the track number for the filing. In addition, the party sending the e-mail should briefly describe the attached communication, for example, *Brief*.

If you use e-mail service, you must also provide a paper copy to the assigned Commissioner and ALJ. The electronic copy should be in Microsoft Word or Excel formats to the extent possible. The paper copy should be double-sided. E-mail service of documents must occur no later than 5:00 p.m. on the date that service is scheduled to occur.

If you have questions about the Commission's filing and service procedures, contact the Docket Office at (415) 703-2121 or send an e-mail to <a href="mailto:efile-help@cpuc.ca.gov">efile-help@cpuc.ca.gov</a>.

#### 7. Public Advisor

Any person or entity interested in participating in this OIR who is unfamiliar with the Commission's procedures should contact the Commission's Public Advisor in San Francisco at (415) 703-2074 or (866) 849-8390 or e-mail <a href="mailto:public.advisor@cpuc.ca.gov">public.advisor@cpuc.ca.gov</a>; or in Los Angeles at (213) 576-7055 or (866) 849-8391, or e-mail <a href="mailto:public.advisor.la@cpuc.ca.gov">public.advisor.la@cpuc.ca.gov</a>. The TTY number is (866) 836-7825.

Cal. Pub. Util. Code § 1711(a) states the following:

Where feasible and appropriate, except for adjudication cases, before determining the scope of the proceeding, the Commission shall seek the participation of those who are likely to be affected, including those who are likely to benefit from, and those who are potentially subject to, a decision in that proceeding.

The Public Advisor's Office will contact appropriate stakeholders and local governments that may be affected by this proceeding.

#### 8. Intervenor Compensation

Any party that expects to claim intervenor compensation for its participation in this OIR shall file its Notice of Intent to claim intervenor compensation any time after the start of the proceeding until 30 days after the time for filing responsive pleadings. If a prehearing conference is later held, the notice may be filed within 30 days after the prehearing conference (Rule 17.1).

#### 9. Ex Parte Communications

The category of this proceeding is preliminarily determined to be quasi-legislative. (*See* Rule 1.3(d)) Accordingly, *ex parte* communications are permitted without restriction or reporting requirement until and unless the assigned Commissioner's Scoping Memo changes the category of the proceeding and/or the determination of need for evidentiary hearing. (*See* Rules 7.3 and 8.3(a))

#### Therefore, IT IS ORDERED that:

- 1. The Commission issues this Order Instituting Rulemaking to continue the Commission's efforts to ensure that low-income water customers have safe, clean, affordable and accessible water adequate for human consumption, cooking and sanitary purposes.
  - 2. This Order Instituting Rulemaking is also issued to address the

Commission's 2010 Water Action Plan objective of achieving consistency between the Class A water utilities' low-income rate assistance programs, and to assess whether bottled water companies fall within the Commission's regulatory jurisdiction.

- 3. The category of this Order Instituting Rulemaking is preliminarily determined to be a quasi-legislative proceeding as the term is defined in Rule 1.3(d) of the Commission's Rules of Practice and Procedure.
  - 4. This proceeding is preliminarily determined to need evidentiary hearings.
- 5. All Class A water utilities under the California Public Utilities
  Commission's jurisdiction are named respondents to this Order Instituting
  Rulemaking. They include: Liberty Utilities (Apple Valley Ranchos Water)
  Corp., California Water Service Company, California-American Water Company,
  Golden State Water Company, Great Oaks Water Company, Liberty Utilities
  (Park Water) Corp., San Gabriel Valley Water Company, San Jose Water
  Company, and Suburban Water Systems.
- 6. Class B, C, and D water utilities, The Office of Ratepayer Advocates, the California Water Association, The Utility Reform Network, the California Bottled Water Association, individual California water bottlers, and the Low-Income Oversight Board are invited to participate as parties to the Order Instituting Rulemaking.
- 7. The outcome of this Order Instituting Rulemaking will be applicable to all water utilities under the Commission's jurisdiction, as defined in Pub. Util. Code § 2701.
- 8. Any person or representative of an entity who wishes to become a party to this proceeding must send a request to the Commission's Process Office, 505 Van Ness Avenue, San Francisco, CA 94102 (or <a href="mailto:process\_office@cpuc.ca.gov">process\_office@cpuc.ca.gov</a>)

to be placed on the official service list for this proceeding. The docket number of this proceeding must be included in the request.

- 9. Persons and representatives of an entity, who wish to monitor this proceeding but not participate as an active party, shall be added to the "Information-Only" section of the official service list upon request, for electronic service of all documents filed in this proceeding. A request to be placed on the "Information-Only" service list for this proceeding must be sent to the Commission's Process Office, 505 Van Ness Avenue, San Francisco, CA 94102 (or <a href="mailto:process\_office@cpuc.ca.gov">process\_office@cpuc.ca.gov</a>). The docket number of this proceeding and designation of "Information Only" party status must be included in the request.
- 10. Respondent Class A water utilities shall, and other parties may, file opening comments on the issues identified in this Order Instituting Rulemaking and respond to the questions in Section 3.2 of this order, according to the schedule set forth in this order.
- 11. This proceeding shall be conducted in two phases. Phase 1 shall include two sub-phases: a) consolidation of low-income water assistance programs for all class A water utilities; and b) bottled water companies as public utilities.
- 12. The preliminary issues and questions to be considered in this proceeding are defined in the Preliminary Scoping Memo herein.
- 13. All parties shall abide by the Commission's electronic service rules contained in the Commission's Rules of Practice and Procedure.
- 14. Any person who objects to this order's preliminary determination regarding categorization of the proceeding as quasi-legislative, the need for hearings, issues to be considered, or scheduling shall state such objections in their comments. (*See* Rule 6.2 of the Rules of Practice and Procedure.)
  - 15. Any party that expects to claim intervenor compensation for its

#### PROPOSED DECISION

participation in this Order Instituting Rulemaking shall file its Notice of Intent to claim intervenor compensation in accordance with Rule 17.1 of the Commission's Rules of Practice and Procedure.

- 16. The assigned Commissioner or Administrative Law Judge may make any revisions to the preliminary schedule set forth herein as necessary to facilitate the efficient management of the proceeding.
- 17. The Commission's Executive Director's Office shall serve this Order Instituting Rulemaking via electronic mail on all respondent Class A water utilities and on the most recent general rate case service list of those utilities.
- 18. The Commission's Executive Director's Office shall serve this Order Instituting Rulemaking via either electronic mail or regular mail on all Class B, C, and D water utilities.
- 19. The Commission's Executive Director's Office shall also serve this Order Instituting Rulemaking via electronic mail on the Office of Ratepayer Advocates, the California Water Association, California Bottled Water Association, individual water bottler companies within the State of California, The Utility Reform Network, California Environmental Justice Alliance, the Community Water Center, and the Low-Income Oversight Board.

This order is effective today.	
Dated	, at Sacramento, California